| SOUTHERN DISTRICT OF NEW YORK                              |        |                               |
|--|--------|-------------------------------|
| CLINIQUE LA PRAIRIE, S.A.,                                 | X<br>: | G' 'I A d' - N 07 G' - 4020   |
| Plaintiff,   | :      | Civil Action No.: 07 Civ 4038 |
| -against-  | :      | [PROPOSED]<br>ANSWER OF       |
| THE RITZ-CARLTON HOTEL COMPANY, LLC, and LA PRAIRIE, INC., | :      | LA PRAIRIE, INC.              |
| Defendants.  | :<br>: |                               |
|  | X      |                               |

INTERPORTATE COURT COLIDT

Defendant La Prairie, Inc. ("La Prairie"), by its attorneys Sonnenschein Nath & Rosenthal LLP, answer the Verified Complaint, dated April 11, 2007 (the "Complaint") of plaintiff Clinique La Prairie, S.A. as follows:

- 1. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 1 of the Complaint.
- 2. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 2 of the Complaint.
- 3. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 3 of the Complaint.
- 4. The allegation in Paragraph 4 of the Complaint states a legal conclusion to which no response is required.
  - 5. Admits the allegations contained in paragraph 5 of the Complaint.
  - 6. Admits the allegations contained in paragraph 6 of the Complaint.
- 7. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 7 of the Complaint.

- 8. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 8 of the Complaint.
- 9. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 9 of the Complaint.
- 10. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 10 of the Complaint.
- 11. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 11 of the Complaint.
- 12. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 12 of the Complaint.
- 13. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 13 of the Complaint.
- 14. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 14 of the Complaint.
- 15. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 15 of the Complaint.
- 16. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 16 of the Complaint.
- 17. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 17 of the Complaint.
- 18. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 18 of the Complaint.

- 19. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 19 of the Complaint.
- 20. Admits that, in 1982, La Prairie, which was then known as the Aviatrix Corporation, purchased certain rights in the "La Prairie" cosmetics line, including the trademark "La Prairie," from Clinique La Prairie, denies the remaining allegations contained in paragraph 20 of the Complaint, and avers that the 1982 Agreement has been superseded by the 1995 Agreement.
- 21. Admits that La Prairie did not acquire Clinique La Prairie in 1982, and denies the remaining allegations contained in paragraph 21 of the Complaint.
  - 22. Denies the allegations contained in paragraph 22 of the Complaint.
- 23. Admits that there is a "La Prairie" spa operating at The Ritz Carlton Hotel located at 50 Central Park South, New York, New York 10019, and denies knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in paragraph 23 of the Complaint.
  - 24. Admits that La Prairie licensed the "La Prairie" spa at The Ritz Carlton Hotel.
  - 25. Denies the allegations contained in paragraph 25 of the Complaint.
- 26. Denies the allegations contained in paragraph 26 of the Complaint, and further refers the Court to the referenced document for the full and complete contents thereof.
  - 27. Denies the allegations contained in paragraph 27 of the Complaint.
- 28. Denies the allegations contained in paragraph 28 of the Complaint, and further refers the Court to the referenced website for the full and complete contents thereof.
  - 29. Denies the allegations contained in paragraph 29 of the Complaint.

- 30. Denies the allegations contained in paragraph 30 of the Complaint.
- 31. Denies the allegations contained in paragraph 31 of the Complaint.
- 32. Denies the allegations contained in paragraph 32 of the Complaint.
- 33. Admits that La Prairie manufactures cosmetics without extracts derived from sheep cells, and denies the remaining allegations in paragraph 33 of the Complaint.
- 34. Admits that La Prairie manufactures cosmetics without extracts derived from sheep cells, and denies the remaining allegations contained in paragraph 34 of the Complaint.
  - 35. Denies the allegations contained in paragraph 35 of the Complaint.
  - 36. Denies the allegations contained in paragraph 36 of the Complaint.
  - 37. Denies the allegations contained in paragraph 37 of the Complaint.
  - 38. Denies the allegations contained in paragraph 38 of the Complaint.
  - 39. Denies the allegations contained in paragraph 39 of the Complaint.
  - 40. Denies the allegations contained in paragraph 40 of the Complaint.
  - 41. Denies the allegations contained in paragraph 41 of the Complaint.
  - 42. Denies the allegations contained in paragraph 42 of the Complaint.
- 43. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 43 of the Complaint.
- 44. Repeats and realleges each and every response contained in paragraphs 1-43 above as if fully set forth herein.
- 45. Denies the allegations contained in paragraph 45 of the Complaint, and further refers the Court to the referenced website for the full and complete contents thereof.

- 46. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 46 of the Complaint.
- 47. Admits that the difference between the words "La Prairie" and "Clinique La Prairie" is the omission of the word "Clinique," and denies the remaining allegations contained in paragraph 47 of the Complaint.
  - 48. Denies the allegations contained in paragraph 48 of the Complaint.
  - 49. Denies the allegations contained in paragraph 49 of the Complaint.
  - 50. Denies the allegations contained in paragraph 50 of the Complaint.
  - 51. Denies the allegations contained in paragraph 51 of the Complaint.
  - 52. Denies the allegations contained in paragraph 52 of the Complaint.
  - 53. Denies the allegations contained in paragraph 53 of the Complaint.
  - 54. Denies the allegations contained in paragraph 54 of the Complaint.
  - 55. Denies the allegations contained in paragraph 55 of the Complaint.
  - 56. Denies the allegations contained in paragraph 56 of the Complaint.
  - 57. Denies the allegations contained in paragraph 57 of the Complaint.
- 58. Repeats and realleges each and every response contained in paragraphs 1-57 above as if fully set forth herein.
  - 59. Denies the allegations contained in paragraph 59 of the Complaint.
  - 60. Denies the allegations contained in paragraph 60 of the Complaint.
  - 61. Denies the allegations contained in paragraph 61 of the Complaint.

- 62. Denies the allegations contained in paragraph 62 of the Complaint.
- 63. Denies the allegations contained in paragraph 63 of the Complaint.
- 64. Denies the allegations contained in paragraph 64 of the Complaint.
- 65. Denies the allegations contained in paragraph 65 of the Complaint.
- 66. Repeats and realleges each and every response contained in paragraphs 1-65 above as if fully set forth herein.
  - 67. Denies the allegations contained in paragraph 67 of the Complaint.
  - 68. Denies the allegations contained in paragraph 68 of the Complaint.
  - 69. Denies the allegations contained in paragraph 69 of the Complaint.
  - 70. Denies the allegations contained in paragraph 70 of the Complaint.

## AFFIRMATIVE DEFENSES

## FIRST DEFENSE

Plaintiff fails to state any claim for which relief can be granted.

## **SECOND DEFENSE**

This action should be stayed pursuant to Section 3 of the Federal Arbitration Act, 9
U.S.C. § 3, pending resolution of an arbitration proceeding in Zurich, Switzerland, in which
Clinique La Prairie, and La Prairie, Inc. are parties.

WHEREFORE, Defendant La Prairie, Inc. respectfully requests that the Complaint be dismissed, together with an award of costs, disbursements, and such further relief as the Court

deems proper.

Dated: New York, New York

July 30, 2007

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